

I, Montie S. Day, declare:

- I am an attorney duly admitted to practice before this Court and in the State of California and, along with Laura R. Spease, Attorney, represent Estela D. Reed, defendant herein. I make this declaration upon personal knowledge, and if called as a witness, can testify as to the following:
- 2. In connection with this interpleader action, and on behalf of Estela Reed, I contacted counsel for Principal Life Insurance Company, Michael Brisbin, and by negotiations, agreed to an amount for attorney fees and costs which would be claimed by Principal Life Insurance Company, conditioned upon the motion to approve the attorney fees and costs to be paid from the interpled funds, and for an order discharging Principal Life Insurance Company from any further obligation under the insurance policy and with respect to the interpled funds, and discharging them in this litigation. I have attached hereto as Exhibit A a fax I received confirming the agreement.
- 3. I then contacted Mr. Mark J. Cardinal, Attorney for defendant Vina Cuesta Statua, and now have been advised of his approval of the payment of the attorney fees and costs in the amount of \$2,500.00 to Principal Life Insurance Company in connection with this action, such funds to be paid from the interpled funds. A copy of an e-mail confirmation is attached hereto as Exhibit B.
- 4. Under any possible facts based upon the pleadings, the defendants Estela D. Reed and Vina Cuesta Statua claims in amount would far exceed the \$2,500.00, and thus an order could be made without any impact on the remaining interest, if any, of the potential 6% interest of other defendants.

Wherefore, your declarant requests that the order determining the attorney fees and costs for the interpleading plaintiff Principal Life Insurance Company be made, such to be paid from the interpled funds, and that Principal Life Insurance Company be discharged from any liability to defendants and from further participation in this action.

Vina Cuesta Statuta - our file number 3393.686

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From: Brisbin, Michael K. < Michael. Brisbin@wilsonelser.com>

To: oyad@aol.com

Subject: Vina Cuesta Statuta - our file number 3393.686

Date: Tue, 18 Dec 2007 2:41 pm

Hi Monte.

This will confirm our earlier conversation.

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Principal Life is willing to reduce its costs to \$2500.00 in exchange for defendants Vina Cuesta Statuta and Estela Reed filing a motion to dismiss Principal Life from the case. I will file the default papers against Corazon Ambe Cabales no later than next week since she has not answered.

Also, here is the address for Inocencio S. Ambe: 907 Paroba Street
Santa Maria, Sta. Ana
2022 Pampanga, Philippines

Let me know if you need anything else to serve him.

Thanks. I look forward to hearing from you on the fees in the near future.

Regards,

Mike Brisbin

This communication was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding tax penalties. (The foregoing legend has been affixed pursuant to U.S. Treasury Regulations governing tax practice.)

EXHIBIT A

Principal v. Reed/Statua; Reed v. Statua Settlement

Page 1 of

From: Marc J. Cardinal <mjc@devrieslawgroup.com>

To: oyad@aol.com

Cc: laura@speaselaw.com

Subject: Principal v. Reed/Statua; Reed v. Statua Settlement

Date: Thu, 20 Dec 2007 4:59 pm

Montie:

This will confirm that I am authorized to stipulate behalf of Vina Cuesta Statua that \$2500 of attorneys fees may be paid to Principal with a discharge of the funds.

This will also confirm settlement in this matter between our clients. The settlement is that my elient will receive the remainder of the funds after payment to Principal, with the remainder to go to your client, in exchange for the consideration above both of our clients will execute a mutual release of all cleims and your client will dismiss her cross complaint, with projudice, against my elient.

If this closs not accurately reflect our settlement agreement, please either call or small me immediately. In light of the settlement will not be filling a responsive pleading to your client's cross-complaint which is due on December 24, 2007.

I am in agreement to continuing any upcoming court dates in light of the settlement. Please let me know if you need me to prepare any documents or sign any documents (i.e. notice of settlement) to accomplish this.

I wish to thank both of you for your professionalism in this matter.

Very Truly Yours,

Marc J. Cardinal De Vries Law Group (831) 623-4100

EXHIBIT B